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SUBJECT: APRIL 25 UNDEF ADVISORY BOARD MEETING

REF: USUN 327

¶1. Summary: The UN Democracy Fund (UNDEF) Advisory Board met April 21 to finalize its recommendations for third round projects to fund for approximately \$20 million, consistent with the short list discussed during the March 25 meeting of the Board's experts group (reftel). India and Germany announced new contributions to the Fund, and the U.S., Japan, Qatar, and Japan underscored their continued commitment to UNDEF. However, the Fund's ability to support \$20 million worth of grants in a fourth round for 2010 remains in doubt. End summary.

¶2. The UNDEF Advisory Board met at the Ambassadorial level and was attended by Deputy Secretary-General Asha-Rose Migiro, Board Chair Michael Doyle, UNDEF Executive Director Roland Rich, and Special Representative to the Secretary-General Ashraf Ghani, among others. Following the Secretary General's opening comments regarding the importance of UNDEF's role "meeting the demand side of democracy" by focusing on civil society, members were invited to comment on recent developments on contributions. India announced that it has contributed \$5 million to the Fund for 2009, Germany said it would contribute \$1.5 million, and Ambassador Wolff indicated that a U.S. contribution would be forthcoming. Representatives from France, Qatar, and Japan articulated their continued support for UNDEF without making any new funding commitments.

¶3. In asking that the Advisory Board recommend the 71 projects on the third round short list for approval by the Secretary-General, the UNDEF secretariat suggested making one change: substituting Bangladesh project number 6413 for project number 6899, which UNDP said it doesn't want to be involved in. The Board agreed to the short list with this change. Roland Rich recognized the selection process is not a science, saying that all of the projects selected are excellent, even if not all worthy projects have been included. As a next step, UNDEF will advise the permanent representatives (PRs) of countries where projects are to be delivered, and does not anticipate any problems. If any of these PRs have "information" about the projects in their countries, Rich said they would be invited to bring it to the attention of the Advisory Board. Once this process is complete within the next couple weeks, the list will be sent to the Secretary-General for approval, with the goal of starting the contract negotiations process by June.

¶4. Other agenda items included a summary of first round projects, a study of approved first round project extensions, funds disbursement of second round projects, cancellation of the second round Algeria project, the signed MOU with UNDP on monitoring, and the idea of an UNDEF goodwill ambassador. Documents concerning these issues were previously sent via email to IO/RHS, DRL, and USUN/W. Members generally supported the idea of a goodwill ambassador provided new costs were not involved; Roland Rich said the only expense could involve travel. No goodwill ambassador has yet been

identified.

¶ 15. Board members emphasized the importance of continuing to strengthen UNDEF's monitoring and evaluation mechanisms, and of assessing the impact of completed and ongoing projects. In a long, philosophical statement, Ashraf Ghani challenged the Fund to focus more on project outcomes, and not just outputs. Michael Doyle and Roland Rich welcomed the feedback and said UNDEF is a learning organization that will formalize a feedback mechanism. Separately, the representative from Femmes Africa Solidarite described the importance of UNDEF's work in Africa, particularly on projects that facilitate gender mainstreaming in conflict-ridden societies.

¶ 16. Comment: Once UNDEF allocates the projected \$20 million for third round projects, it will have \$4.38 million left. With the \$5 million Indian contribution and likely \$1.5 million German and \$3 million U.S. contributions, it will reach just under \$14 million this year. The UNDEF Secretariat believes that future rounds should not fall below \$20 million, but it is unclear how the Fund will pass that threshold this year given current levels of funding, reductions in the size of the annual U.S. contribution, and the absence of additional pledges. \$2 million of the funds are reserved for administrative costs.

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